

**HOUSE BILL 102**  
CONSTITUTIONAL AMENDMENT

Unofficial Copy  
Q4

2004 Regular Session  
4r1268

---

By: **Delegate Simmons**

Introduced and read first time: January 15, 2004

Assigned to: Ways and Means

---

A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax - Rate**

3 FOR the purpose of proposing an amendment to the Maryland Constitution that sets  
4 the sales and use tax rate at a certain amount; and submitting this amendment  
5 to the qualified voters of the State of Maryland for their adoption or rejection.

6 BY proposing an addition to the Maryland Constitution  
7 Article III - Legislative Department  
8 Section 63

9 **Preamble**

10 WHEREAS, During the 2002 Session, the General Assembly passed legislation  
11 that essentially codified the recommendations of the Commission on Education  
12 Finance, Equity, and Excellence (the Thornton Commission); and

13 WHEREAS, In order to help the State achieve the goals of the legislation that  
14 was enacted into law and entitled the "Bridge to Excellence in Public Schools Act", the  
15 General Assembly finds and declares that this Act is necessary to help generate, at  
16 least in part, revenues required to fund the 2002 enactment; and

17 WHEREAS, The Maryland Constitution guarantees to all Maryland school  
18 children an adequate education; and

19 WHEREAS, The General Assembly reaffirms its support for the principle of  
20 equal educational opportunity; now, therefore,

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
22 MARYLAND, (Three-fifths of all the members elected to each of the two Houses  
23 concurring), That it be proposed that the Maryland Constitution read as follows:

## Article III - Legislative Department

1  
2 63.

3 (A) THIS SECTION DOES NOT APPLY TO SHORT-TERM VEHICLE RENTALS AS  
4 DEFINED IN § 11-104 OF THE TAX - GENERAL ARTICLE OF THE CODE AND AS IT WAS IN  
5 EFFECT ON THE DATE THIS SECTION 63 TAKES EFFECT.

6 (B) THE SALES AND USE TAX RATE IS:

7 (1) FOR A TAXABLE PRICE OF LESS THAN \$1:

8 (I) 1 CENT IF THE TAXABLE PRICE IS 20 CENTS;

9 (II) 2 CENTS IF THE TAXABLE PRICE IS AT LEAST 21 CENTS BUT  
10 LESS THAN 34 CENTS;

11 (III) 3 CENTS IF THE TAXABLE PRICE IS AT LEAST 34 CENTS BUT  
12 LESS THAN 51 CENTS;

13 (IV) 4 CENTS IF THE TAXABLE PRICE IS AT LEAST 51 CENTS BUT  
14 LESS THAN 67 CENTS;

15 (V) 5 CENTS IF THE TAXABLE PRICE IS AT LEAST 67 CENTS BUT  
16 LESS THAN 84 CENTS; AND

17 (VI) 6 CENTS IF THE TAXABLE PRICE IS AT LEAST 84 CENTS; AND

18 (2) FOR A TAXABLE PRICE OF \$1 OR MORE:

19 (I) 6 CENTS FOR EACH EXACT DOLLAR; AND

20 (II) FOR THAT PART OF A DOLLAR IN EXCESS OF AN EXACT DOLLAR:

21 1. 1 CENT IF THE EXCESS OVER AN EXACT DOLLAR IS AT  
22 LEAST 1 CENT BUT LESS THAN 17 CENTS;

23 2. 2 CENTS IF THE EXCESS OVER AN EXACT DOLLAR IS AT  
24 LEAST 17 CENTS BUT LESS THAN 34 CENTS;

25 3. 3 CENTS IF THE EXCESS OVER AN EXACT DOLLAR IS AT  
26 LEAST 34 CENTS BUT LESS THAN 51 CENTS;

27 4. 4 CENTS IF THE EXCESS OVER AN EXACT DOLLAR IS AT  
28 LEAST 51 CENTS BUT LESS THAN 67 CENTS;

29 5. 5 CENTS IF THE EXCESS OVER AN EXACT DOLLAR IS AT  
30 LEAST 67 CENTS BUT LESS THAN 84 CENTS; AND

31 6. 6 CENTS IF THE EXCESS OVER AN EXACT DOLLAR IS AT  
32 LEAST 84 CENTS.

1 (C) IF A RETAIL SALE OF TANGIBLE PERSONAL PROPERTY OR A TAXABLE  
2 SERVICE IS MADE THROUGH A VENDING OR OTHER SELF-SERVICE MACHINE, THE  
3 SALES AND USE TAX RATE IS 6%, APPLIED TO 95.25% OF THE GROSS RECEIPTS FROM  
4 THE VENDING MACHINE SALES.

5 SECTION 2. AND BE IT FURTHER ENACTED, That the General Assembly  
6 determines that the amendment to the Maryland Constitution proposed by this Act  
7 affects multiple jurisdictions and that the provisions of Article XIV, § 1 of the  
8 Maryland Constitution concerning local approval of constitutional amendments do  
9 not apply.

10 SECTION 3. AND BE IT FURTHER ENACTED, That the foregoing section  
11 proposed as an amendment to the Maryland Constitution shall be submitted to the  
12 legal and qualified voters of this State at the next general election to be held in  
13 November, 2004 for their adoption or rejection in pursuance of directions contained in  
14 Article XIV of the Maryland Constitution. At that general election, the vote on this  
15 proposed amendment to the Constitution shall be by ballot, and upon each ballot  
16 there shall be printed the words "For the Constitutional Amendment" and "Against  
17 the Constitutional Amendment," as now provided by law. Immediately after the  
18 election, all returns shall be made to the Governor of the vote for and against the  
19 proposed amendment, as directed by Article XIV of the Maryland Constitution, and  
20 further proceedings had in accordance with Article XIV.